



# HOUSE OF REPRESENTATIVES

HB 2222

employment security; omnibus

Prime Sponsor: Representative Fann, LD 1

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**DPA** Committee on Commerce

**DPA** Caucus and COW

**X** As Transmitted to the Governor

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## **OVERVIEW**

HB 2222 modifies the appeals process for Unemployment Insurance (UI), repeals the surtax for the Shared Work Program, clarifies the requirements for unemployment benefits, restores the exemption for unemployment insurance contributions and transfers the State Apprenticeship Program from the Arizona Commerce Authority to the Department of Economic Security (DES).

## **PROVISIONS**

1. Eliminates the DES Appeals Board's (Board) review of its own decision on an appeal before parties are allowed to apply for judicial review.
2. Transfers the statutory authority of the State Apprenticeship Program from the Arizona Commerce Authority to DES.
3. Repeals [A.R.S. § 23-765](#), which increased the contribution rates for employers who participate in the Shared Work Program, effective January 1, 2017.
4. Limits the Board to three members and clarifies that two concurring members constitute a majority.
5. Authorizes a majority of the members of the Board to issue an appeal's decision, instead of requiring three concurring members to issue a decision.
6. Instructs employers who wish to appeal DES' refusal to grant relief for the submission of contribution and wage reports to file the appeal either electronically or in writing.
7. Increases the requirement for unemployment benefits to one work search contact per day on four different days of the week.
8. Restores the exemption for unemployment insurance contributions if the quarterly amount owed is less than \$10.
9. Contains a retroactive effective date, beginning January 1, 2016.
10. Makes technical and conforming changes.

## **CURRENT LAW**

[A.R.S. § 23-672\(F\)](#) allows a party that is dissatisfied with the decision of the Board to request a review within 30 days of the decision. The Board is required to notify all parties of the request for review and allow 15 days from the date of the notice for the parties to respond. All parties are given written notice by mail of the decision on the review.

## **HB 2222**

[A.R.S. § 41-1993\(B\)](#) allows any party aggrieved by decision on review of the Board to file an application for appeal to the court of appeals within 30 days of the date of the decision on review.

[A.R.S. § 23-765](#) increases the contribution rates for employers who participate in the Shared Work Program by 1% if the employer's negative reserve ratio is between 5% and 15% or by 2% if the negative reserve ratio is greater than 15%.

[A.R.S. § 23-771](#) requires unemployed individuals to engage in work search activities during at least four days per week and to make at least three work search contacts per week.